

**ORDINANCE NO 2015-10-15B**

**AN ORDINANCE AMENDING ORDINANCE NO. 2014-12-18A - APPENDIX C, CHAPTER 11, EMPLOYEE BENEFITS; PROVIDING FOR A SEVERABILITY CLAUSE, AND AN EFFECTIVE DATE.**

**WHEREAS**, adoption of the Fiscal Year 2015-16 Annual Operating Budget of the City of Overton included approval of and appropriations for two additional employee benefits for City employees; and

**WHEREAS**, Chapter 11 of Ordinance 2014-12-18A, Appendix C, City of Overton Personnel Policies and Procedures Manual authorizes and establishes procedures for administering the City's benefit package for its employees; and

**WHEREAS**, approval of additional benefits of a vision plan and flexible spending accounts requires the specifications and terms and conditions for administering such plans which are defined in Chapter 11 of Ordinance 2014-12-18A, Appendix C, City of Overton Personnel Policies and Procedures Manual;

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS.**

**Section 1. : That Chapter 11 EMPLOYEE BENEFITS of Ordinance 2014-12-18A, Appendix C, City of Overton Personnel Policies and Procedures Manual shall be amended to read as follows:**

**CHAPTER 11: EMPLOYEE BENEFITS**

**11-01. MEDICAL INSURANCE**

All regular full-time employees are provided with medical insurance. All retired employees are provided with medical insurance at their own expense. Coverage shall begin upon acceptance of the employee by the insurance underwriter. This insurance provides for payment of hospitalization and major medical expenses up to the limits of the policy for illness and accidental injuries off the job. Coverage for other family members is at the option of and payable by the employee through payroll deductions at the prevailing rates.

Any employee who is laid off or terminated by the city will be allowed to continue the insurance coverage up to a maximum of eighteen (18) months as provided by Cobra. Employees or family members that elect to continue coverage after being laid off or terminated will be required to pay the entire cost of the premium.

#### 11-02. LIFE INSURANCE

The city provides group life insurance coverage for all regular full-time employees. Coverage shall begin upon acceptance of the employee by the insurance underwriter. The cost of providing this insurance to employees is paid by the city. The life insurance is payable in the event of death of an employee from any cause at any time or place while her or she is insured. It is designed to help ensure that each employee's family receives financial assistance in the event of the employee's death. Payment will be made to the beneficiary designated by the employee.

#### 11-03. WORKER'S COMPENSATION INSURANCE

Any city employee injured as a result of duties performed in the course of his or her job shall be eligible to receive worker's compensation benefits from the city's insurance carrier at no expense to the employee. Worker's compensation benefits are intended to compensate workers with job-related injuries or illnesses by reimbursing them for income losses and paying for medical and rehabilitation treatment.

#### 11-04. SOCIAL SECURITY

All employees of the city are covered under the Federal Insurance Contributions Act (FICA). This type of government insurance known as "Federal Old Age and Survivor's Insurance," provides for benefits for retirement, disability or upon death. This insurance is financed by social security taxes which are paid through payroll deductions by the employee.

#### 11-05. UNEMPLOYMENT INSURANCE

All employees of the city are covered under the Texas Unemployment Compensation Insurance program and the Federal Unemployment Tax Act (FUTA). This program provides payment for unemployed workers in certain circumstances as provided by law. This city pays an unemployment tax on behalf of each employee on a portion of the employee's earnings to finance this benefit.

#### 11-06. RETIREMENT AND IN SERVICE DEATH BENEFITS

The city is a member of the Texas Municipal Retirement System. The purpose of this system is to provide a plan for the retirement and disability of employees of Texas municipalities. Participation in this system is compulsory for all employees who have not reached the age of sixty (60) years and for part time employees in a position that normally requires at least 1,000 hours per year (as determined by the City) and in accordance with the retirement system's policies. Participation in the system begins upon employment with the city. The employee will contribute 5% of his/her salary through payroll deductions into the retirement plan, with the city matching this amount is set by TMRS.

In addition to the retirement plan, the city also provides an In-Service Death Benefit for its employees participation in the Texas Municipal Retirement System benefit is payable to the designated beneficiary upon death of the covered employee. The amount payable to the beneficiary is equal to the annual salary of the covered employee. This supplemental benefit is provided by the city at no cost to the employee.

#### 11-07. DENTAL INSURANCE

All regular full-time employees are provided with dental insurance. Coverage shall begin upon acceptance of the employee by the insurance underwriter. This insurance provides payment of dental expenses up to the limits of the policy for dental work. Coverage for other family members is at the option of and payable by the employee through payroll deductions at the prevailing rates.

#### 11-08. VISION INSURANCE

All regular full-time employees are provided with vision insurance. Coverage shall begin upon acceptance of the employee by the insurance underwriter. This insurance provides payment of vision expenses up to the limits of the policy for an annual eye exam and eye glasses or contact lenses. Coverage for other family members is at the option of and payable by the employee through payroll deductions at the prevailing rates.

#### 11-09. FLEXIBLE SPENDING ACCOUNTS

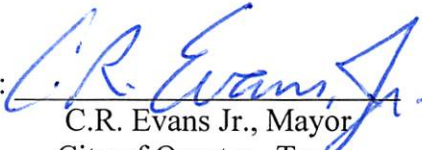
All regular full-time employees are provided with the opportunity to participate in the City Plan Sponsored Dependent Care Account and Unreimbursed Healthcare Spending Account (Section 125 Flexible Spending Account). These Plans are part of the Plan Sponsored Cafeteria Plan. The FSA Account plans allow the employee to pay for dependent care and healthcare expenses that are not or cannot be reimbursed by the healthcare benefits program such as monthly contributions, deductibles and the benefits percentage that is the responsibility of the employee, with before-tax-dollars. This plan offers the employee to make contributions to the FSA Accounts to cover these expenses with before-tax monies. The employee will be able to pay for dependent childcare and unreimbursed healthcare expenses from the employees FSA Account by utilizing a City provided debit card. (FSA Claims department may request receipts for any or all purchases made with the debit card, so maintaining receipts is the responsibility of the employee). The employee designates the total amount to payroll deduct during the year to cover these expenses and must utilize these funds prior to the end of the plan year in December or the employee will forfeit the dollars remaining in the Flexible Spending Account.

**Section 2.** That all ordinances or parts of ordinances in conflict herewith, are to the extent of such conflict, are hereby repealed.

**Section 3.** That if any provision or any section of this Ordinance shall be held to be void or unconstitutional, such holding shall in no way effect the validity of the remaining provisions or section of this ordinance, which shall remain in full force and effect.

**Section 4.** That this ordinance shall take effect and be in force from October 1, 2015.

PASSED AND APPROVED ON THIS 15<sup>th</sup> DAY OF OCTOBER, 2015


By:   
C.R. Evans Jr., Mayor  
City of Overton, Texas

ATTEST:

  
Rachel Gafford, City Secretary



APPROVED AS TO FORM AND LEGALITY:

  
Blake Thompson, City Attorney